

Vhite House strategists see Ronald Reaan emerging from the Iceland meeting vith Soviet boss Gorbachev with a wining image, no matter how it turns out. f he rejects Gorbachev on arms control r other issues, he'll be seen as a tough argainer. If the outcome is murky, Reaan at least will score points by going the xtra mile in the cause of peace.

Washington's biggest mystery in the wake of the Reagan-Gorbachev deal on newsnan Nicholas Daniloff and the Iceland meeting: Who's the new "back channel" linking Washington and Moscow? Insiders are convinced the compromise was worked out not by any official delegation but through an unidentified private party with high-level contacts in both capitals.

Why there were no leaks of the arrangement between Reagan and Gorbachev: Only four people—the President, Secretary of State Shultz, White House Chief of Staff Donald Regan and National Security Adviser John Poindexter-knew about it.

Who do Republican politicians turn to if they can't land Reagan or Bush for a campaign appearance? Try Henry Kissinger. The former Secretary of State is packing in admiring audiences whenever he shows up for a GOP candidate.

Both parties harbor secret hopes of springing at least one surprise in November's Senate elections. For the Republicans, it's former Governor Richard Snelling's upsetting of Democratic Senator Patrick Leahy in Vermont. The Democrats count on Representative Bob Edgar's ousting Republican Arlen Specter in Pennsylvania.

South African business leaders are on the verge of breaking with President Botha. More and more white executives are concluding that the only way out of the bloody strife is to reach a compromise with the country's black majority.

Reagan is being bombarded with conflicting advice on released Soviet dissident Yuri Orlov. Some urge the President to invite Orlov to the White House immediately. Others warn that receiving the most prominent critic in years allowed to leave the Soviet Union would sour relations with Kremlin U.S.NEWS & WORLD REPORT, Oct. 13, 1988

## A can't-lose deal for Reagan in Iceland?

## Who's packing them in for the Republicans

## Best bets for upsets in races for the Senate

chief Gorbachev just as they seemed about to improve.

Indiana's Senator Richard Lugar is braced for a storm of attacks by conservatives for leading the Senate vote that overrode Reagan's veto of sanctions against South Africa. But the Hoosier Republican is all set to fire back by pointing to records showing he has backed the President more faithfully



Richard Lugar Ready for attacks

than anyone else in the Senate. Aides offer one reason Lugar isn't worried: Polls give him the highest approval rating of any politician in Indiana history.

Front-runners of both parties in the 1988 presidential race will stumble, some analysts predict. Vice President Bush is expected to have the same trouble Richard Nixon had in 1960 trying to follow a popular President. Colorado's Senator Gary Hart is seen being

overtaken by a new face the first time he falters in early primaries.

Orrin Hatch for the Supreme Court? Talk is spreading in Washington that Reagan will tap the Utah Republican for the next opening. Democrats worry that the 52-year-old conservative would sail through confirmation hearings conducted by colleagues reluctant to be tough on a fellow senator.

U.S. intelligence is watching carefully to learn the destination of Soviet MiG-29 jet fighters spotted being loaded aboard a freighter at the Black Sea port of Nikolayev. The planes, the latest models the Kremlin ever has sent abroad, are thought to be bound for India or Syria.

Add Illinois Senator Paul Simon to the list of Democrats catching presidential fever. Simon missed the final vote on tax reform because he was busy giving a speech in early-voting New Hampshire. The 57-year-old lawmaker has some 15 House members on his side, but some think his real aim is to win the 1988 nomination for Vice President.

Even if Republicans retain control of the Senate in November, White House officials concede that Reagan will have only about nine months to ram his programs through Congress. After that, aides predict, the President will be labeled a lame duck and everyone will be hypnotized by the 1988 race to select his successor.

Gratitude stretches only so far in politics. Only six of the 19 Republican senators up for re-election backed Reagan on the override of his veto on sanctions against South Africa. Six who opposed the President have enjoyed personal campaign visits by Reagan to their states -Abdnor of South Dakota, D'Amato of New York, Gorton of Washington, Hawkins of Florida, Mattingly of Georgia and Kasten of Wisconsin.

Air Force brass will have to talk fast to keep Republican senators from chopping \$250 million off their space-shuttle budget. Though the Democratic House approved doubling outlays, GOP lawmakers balked on learning that the Air Force has paid NASA in advance for 10 missions not yet launched and now wants to book eight more.

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